1955

ELEVENTH ANNUAL REPORT

Chicago Transit Board

CHICAGO TRANSIT AUTHORITY

BOARDS

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(Photo on Cover)

Workmen in the foreground are aligning ties for rail placement on a section of the new west side high-speed route in the median strip of the Congress Street expressway. The ties are placed over ten inches of crushed stone ballast.

CHICAGO TRANSIT AUTHORITY

ELEVENTH ANNUAL REPORT

CHICAGO TRANSIT BOARD

for the Fiscal Year ended December 31, 1955

MEMBERS OF THE BOARD

and Date Term Expires

John S. Miller	G	September 1, 1956
James R. Quinn	M	September 1, 1957
John Holmes	M	September 1, 1958
Virgil E. Gunlock, *Chairman*	M	September 1, 1959
William W. McKenna, *Secretary*	M	September 1, 1960
Werner W. Schroeder, *Vice Chairman*	G	September 1, 1961
Philip W. Collins	G	September 1, 1962

M—Appointed by the Mayor of the City of Chicago.
G—Appointed by the Governor of the State of Illinois.

Walter J. McCarter, *General Manager* Thomas C. Strachan, Jr., *General Attorney*

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CTA's third new operating station, Forest Glen, costing $2,500,000.

Undershelter islands for servicing buses at CTA's new Forest Glen station.

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OCT 22 1956 A

PRUDENTIAL
Pause
11:43
DRINK
Coca-Cola

Chicago's newest skyscraper, the Prudential Building,
is served by CTA lines.

Financial Position and Results of Operations

The Authority's revenues of $120,897,185 for the year 1955 were sufficient to cover all of its fixed requirements for the year; in addition there remained $830,587 available for the advance retirement of its Revenue Bonds.

A comparison is shown below of the revenues and their application in the manner prescribed by the Revenue Bond Trust Indenture for the years 1955 and 1954:

	1955	1954
Revenues	$120,897,185	$121,139,515
Operation and maintenance expenses	102,488,191	103,411,537
	18,408,994	17,727,978
Debt service requirements	7,906,632	7,500,612
	10,502,362	10,227,366
Depreciation	9,671,775	9,691,161
Balance available for other charges	830,587	536,205
Other charges—Revenue Bond Amortization Fund	$ 830,587	$ 536,205

Reductions in operation and maintenance expenses as a result of economies and the efficiencies arising from new equipment delivered and put into service during the year more than offset a slight reduction in revenues and an increase in debt service requirements, so that the amount remaining available for the advance retirement of revenue bonds after meeting all fixed requirements increased from $536,205 in 1954 to $830,587 in 1955.

Gross revenues of $120,897,185 for 1955 were down only $242,330, 1/5 of 1%, from 1954. Originating passengers decreased 17,672,853 (2¾%) from 641,166,501 in 1954 to 623,493,648 in 1955. Rates of fares had been increased April 22, 1954 so that the revenues for the period January 1 to April 22, 1955 were greater than those for the same period in 1954 when the old rates of fares had been charged. The increased revenues for this period partially offset the revenues lost due to the decrease in originating passengers during the latter part of the year. Present rates of fare consist of universal cash fares on both systems of 20c for adults and 10c for children and students. Previous rates of fare had consisted of adult fares of 20c cash and 5 for 85c tokens for the Surface System and 20c cash and 5 for 90c tokens for the Rapid Transit System, and child and student fares of 10c for both systems.

Originating passengers carried on the system in 1955 and 1954 are shown below:

	1955	1954	Increase (Decrease)
Surface System	510,603,672	529,934,199	(3.65%)
Rapid Transit System	112,889,976	111,232,302	1.49
	623,493,648	641,166,501	(2.76%)

Other revenues of the Authority showed minor fluctuations between 1955 and 1954 as shown in the following summary:

	1955	1954
Passenger—		
Surface System	$ 96,187,802	$ 96,932,822
Rapid Transit System	22,460,331	21,822,989
	$118,648,133	$118,755,811
Chartered Service	317,494	240,048
	$118,965,627	$118,995,859
Other—		
Station and car privileges	930,603	1,030,608
Rents and miscellaneous	1,000,955	1,113,048
Total revenue	$120,897,185	$121,139,515

Operation and maintenance expenses showed a slight reduction in 1955 from 1954 in spite of several factors leading to increased costs, which are discussed below. The principal elements making up these expenses for the years 1955 and 1954 are compared below:

	1955	1954	Increase (Decrease)
Wages and salaries	$ 66,684,641	$ 68,036,762	($1,352,121)
Pension contributions	4,914,695	5,049,163	(134,468)
Federal Insurance contributions	1,264,769	1,185,072	79,697
Employes' Insurance	640,347	586,344	54,003
Total labor costs	$ 73,504,452	$ 74,857,341	($1,352,889)
Electric power purchased	5,212,375	5,722,156	(509,781)
Motor fuel consumed	3,535,013	4,124,779	(589,766)
Operating materials and supplies	5,733,047	5,813,762	(80,715)
Provision for injuries and damages	8,660,560	7,502,934	1,157,626
Miscellaneous services, supplies, etc.	5,842,744	5,390,565	452,179
Total operation and maintenance expense	$102,488,191	$103,411,537	($ 923,346)

The reduction in wages and salaries resulted because operating economies and the efficiencies secured by putting into service new L-subway cars and motor buses delivered during the year, more than offset the additional costs resulting from increases in wage and salary rates provided by new contracts negotiated with labor organizations effective June 1, 1955 and extending to May 31, 1957.

Changes called for by the new contracts with the major labor organizations provided for hourly wage increases of 5c effective June 1, 1955, an additional 2½c December 1, 1955 and an additional 5c on June 1, 1956. A cost-of-living allowance to be paid in addition to the hourly wage increases was reinstated to become effective December 1, 1955 and to be adjusted quarterly thereafter based on the change in the Revised Consumers' Price Index for Chicago from May 1955. The first allowance under this cost-of-living provision was added to payrolls effective December 1, 1955 in the amount of 3c per hour. Other changes increased paid holidays from five to six per year, adding New Year's Day, extended a fourth week of vacation to employes with twenty-five or more years of service, and reduced the "spread" time over which any run could be scheduled to 10 hours, with overtime at one-half time for any time scheduled beyond that (this latter provision to become effective in June 1956).

Contracts with other labor organizations followed the general pattern outlined above with the major exception that none of these other contracts provided for the cost-of-living allowance.

It has been estimated that the total annual costs of all contract changes will be approximately $5,500,000 after all provisions become effective. For the entire year 1955, with certain of the above changes effective for only part of the year, wage and salary costs were increased approximately $2,250,000 over 1954.

Inasmuch as overall wages and salary costs were reduced approximately $1,350,000, as mentioned above, operating economies and efficiencies arising from the use of new equipment delivered during the year yielded reductions of approximately $3,600,000 to produce this reduction in spite of the wage and salary increases described above.

There were no changes in pension and Federal insurance contribution rates during the year so the changes in these costs were due to the variations in individual earnings of employes.

The increase in employes' insurance costs arose from a change in labor contracts effective June 1, 1955 which increased accident and sickness insurance coverage from $25.00 to $30.00 per week.

Electric power purchased decreased $509,781 (8.91%) as a result of the continued conversion of streetcar lines to motor bus operation. Motor fuel consumed reflected this conversion also. On July 5, 1955, the Authority was exempted, by Act of the State Legislature, from paying the State of Illinois Motor Fuel Tax on all motor fuel purchases. From that date to the end of the year 1955 the savings from this exemption amounted to $824,000. Additional motor fuel used on lines converted from streetcar operations partially offset this saving so that the net reduction in motor fuel costs amounted to $589,766 for the year 1955.

Injury and damage provisions for 1955 increased $1,157,626 over 1954 as a result of an increase in the rate of provision from 6% to 6¾% effective October 1, 1954 and because of special provisions made by the Board totaling $500,000 in 1955 to cover increased costs.

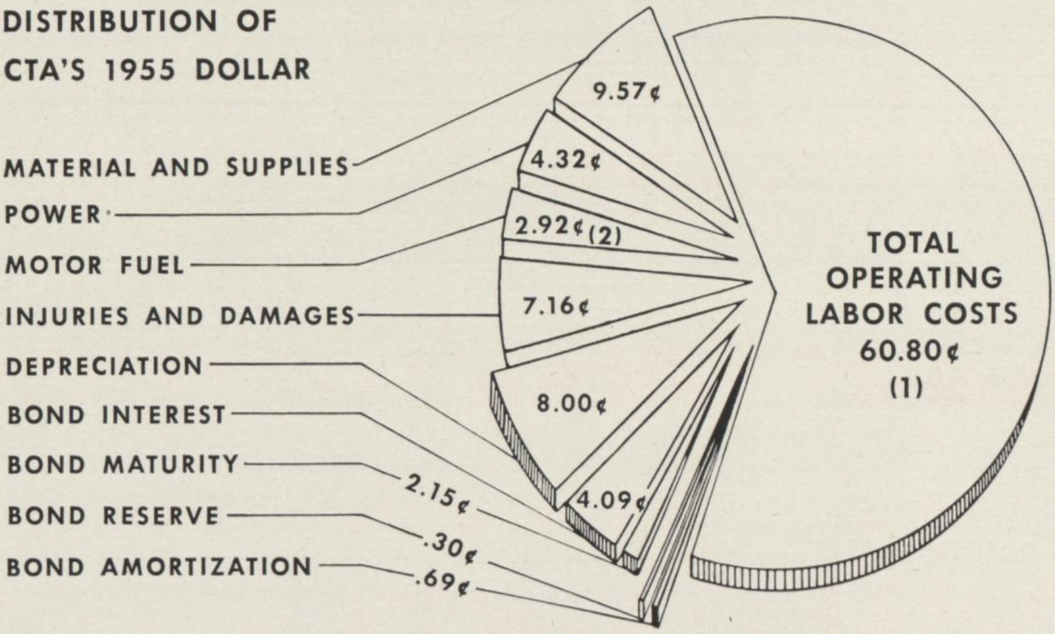
Payments to State of Illinois, City of Chicago and Chicago Park District

Payments for taxes and other items to the State of Illinois, City of Chicago and Chicago Park District amounted to $2,191,782 for the year 1955 as compared with $2,904,404 in 1954. This does not include $812,500 in 1955 and $610,000 in 1954 spent by the Authority for the removal of snow and ice from transit route streets:

		1955	1954
State of Illinois	Fuel tax on gasoline, diesel and propane fuel for revenue buses, passenger autos, trucks and shops. Charged to "Motor Fuel Consumed"	$ 830,334 (1)	$1,508,779
State of Illinois	License fees covering buses, trucks, trailers, autos and chauffeurs. Charged to "Miscellaneous Services and Supplies, etc."	6,508	6,374
State of Illinois and City of Chicago	Revenue tax charge collected from Authority by Commonwealth Edison Company and paid to		
	State of Illinois — 3%	135,959	152,978
	City of Chicago — 4%	181,257	203,971
	Charged to "Electric Power Purchased".		
City of Chicago	For a portion of City's cost of repaving streets on which tracks have been abandoned. Charged to "Depreciation Reserve"	300,000	300,000
City of Chicago	State Street Subway facilities	137,362	137,362
	Dearborn Street Subway facilities	153,974	153,974
	Charged to "Miscellaneous Services and Supplies, etc."		
City of Chicago	License fees covering buses, trolley coaches, autos, trucks, trailers and flammable liquids. Charged to "Miscellaneous Services and Supplies, etc."	246,388	240,966
Chicago Park District	Payment for wear and tear of boulevards arising from operation of the Authority's buses. Charged to "Miscellaneous Services and Supplies, etc."	200,000	200,000
	Total payments during Year	$2,191,782	$2,904,404
City of Chicago	Accumulated Liability for repaving streets on which tracks have been abandoned but which have not yet been repaved (Payment of this limited by franchise to $300,000 per year)	$1,908,116	$2,203,966

(1) Illinois Motor Fuel Tax Law amended effective July 5, 1955 by State Legislature to exempt all motor fuel used for operation of C.T.A. motor vehicles from 5c per gallon tax.

Debt service requirements of $7,906,632 for 1955 were up $406,020 from 1954. This arose from an increase of $500,000 in deposits to the Series of 1947 Serial Bond Maturity Fund and a decrease of 93,980 in annual interest charges resulting from the retirement of bonds through the operation of both the Serial Bond Maturity Fund and the Revenue Bond Amortization Fund.



DISTRIBUTION OF CTA'S 1955 DOLLAR

NOTES: (1) Total Operating Labor Costs exclude $2,161,679 (1.79c of C.T.A.'s Dollar) charged to Operating Materials and Supplies, Injuries and Damage Reserve and Miscellaneous Services and Supplies.

(2) Amendment to Illinois Motor Fuel Tax Law effective July 5, 1955 exempted Authority from 5c per gallon tax.

Revenues of $830,587 were available from 1955 operations for and were deposited in the Revenue Bond Amortization Fund, compared with $536,205 in 1954. The application of 1955 revenues to the advance retirement of bonds is summarized below:

Revenue Bonds Purchased and Retired

	During 1955		During 1956		Total	
Series	Principal Amount	Cost	Principal Amount	Cost	Principal Amount	Cost
1947	$535,000	$481,371	$179,000	$157,960	$714,000	$639,331
1952	112,000	111,741	37,000	36,778	149,000	148,519
1953	33,000	33,076	11,000	11,001	44,000	44,077
	$680,000	$626,188	$227,000	$205,739	$907,000	$831,927

In addition $451,000 principal amount of bonds, which cost $422,280, were retired in 1955 from funds made available from 1954 revenues.

Including the operations shown above, the Authority has since the inception of these funds retired revenue bonds as follows:

Series	Principal Amount	Cost
1947	$2,534,000	$2,282,576
1952	515,000	511,447
1953	87,000	88,151
	$3,136,000	$2,882,174

New Financing

On October 14, 1955, the Authority issued $1,245,000 of Series 7 Equipment Trust Certificates (replacing certificates which had matured July 1, 1955) the proceeds of which, together with approximately $1,449,000 cash from its Depreciation Reserve Fund and the proceeds from the sale of principal parts of PCC streetcars retired from service by the Authority, are to provide funds for the conversion of 80 PCC streetcars to L-subway cars. It is expected that these new cars will be delivered and in service during the latter part of 1956.

Additional Series 7 certificates to be issued in 1956 (replacing certificates maturing January 1, and July 1, 1956), deposits from the Authority's Depreciation Reserve Fund and proceeds of sales of parts of PCC streetcars are expected to provide sufficient funds during 1956 to pay for the conversion of 50 more PCC streetcars to L-subway cars and for the purchase of 150 propane fueled motor buses which were ordered in February 1956.

Thermit welding of rail joints in median strip of Congress street expressway.

Management and Operation

As a result of the substitution of modern motor buses for streetcars on one line (Cottage Grove) and part of another (the State Street section of the State-Broadway line) only three streetcar lines remain in the CTA system, Clark-Wentworth, Western Avenue and Broadway. Of these, the Broadway and Clark-Wentworth lines are presently served by buses on weekends. Western Avenue is scheduled for bus substitution by midsummer 1956 and Broadway in the fall, when sufficient buses are expected to be available. The substitution of buses on Western Avenue will expedite the City's program of constructing through-lane overpasses at heavily used street intersections and of repaving the entire street.

To attract more rapid transit riders, CTA placed in operation on March 7, 1955, its Park 'n' Ride lot at the Kimball and Lawrence terminal of the Ravenswood "L" line. Use of the facility, which has room for approximately 130 automobiles, is growing steadily, and is the first CTA lot where a parking fee is charged. CTA Park 'n' Ride lots now have a total capacity of 940 automobiles, and all are used extensively. Additional property is presently being sought to expand the lot at Linden Avenue, Wilmette, on the Evanston "L" line.

With the addition of new equipment and improvement of service, patronage of the traffic-free rapid transit lines showed a 1.5 per cent increase in 1955 as compared with 1954. A slackening of the downward trend in overall CTA riding—only 2.8 per cent below the 1954 total—also was noted.

The Authority's expenditures for modernization up to the end of 1955 were $106,302,437. This compares with $98,502,400 reached in the previous year. The total expenditures for equipment to December 31, 1955 amounted to $81,472,645. The changes in the property accounts of the Authority during 1955 are set forth in a separate statement at the end of this report. Major expenditures during the year covered the Forest Glen operating station and the purchase of new passenger equipment, while the principal retirements consisted of replaced passenger equipment and tracks abandoned as a result of the conversion from streetcar to motor bus operation during the year.

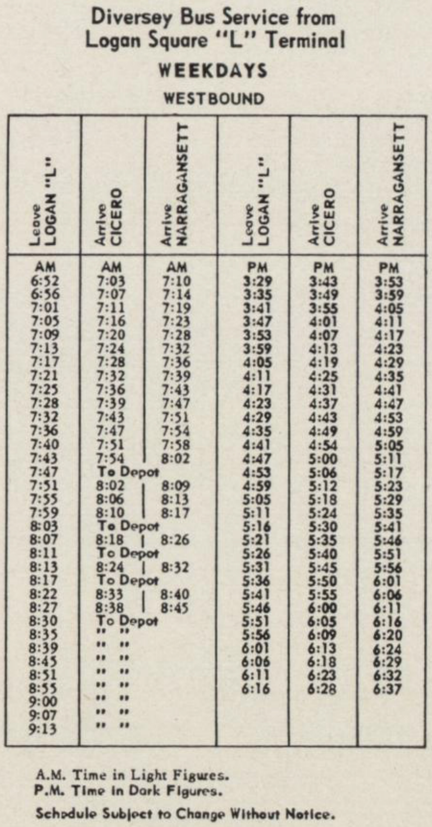
Surface System Service

As stated previously, the major conversions from streetcar operation to motor bus in 1955 were made on the Cottage Grove and State Street lines.

The Cottage Grove one-man car operation was replaced by motor buses on June 19, 1955. Some reroutings were involved in this conversion because of the closing of part of Cottage Grove Avenue for the Lake Meadows Housing Project. The motor bus route operates from 115th and Cottage Grove to Randolph and Garland Court. The round trip distance between the outer terminals of the revised route is 29.52 miles.

The conversion of State Street from streetcars to motor buses became effective on December 4, 1955. Formerly the State and Broadway lines were through-routed in the loop via State Street. On December 4, 1955, two separate operations were established, Broadway-Downtown and State Street-Downtown. Two man streetcars were retained on the Broadway-Downtown route and motor buses were established on the State Street-Downtown line. The Broadway line operates from Devon Avenue and Clark Street on the northside to State and Polk, a round trip distance of 20.24 miles. The State Street bus line operates from 119th and Morgan to State and Grand, a round trip distance of 32.86 miles.

The Kedzie-California motor bus line was converted to trolley bus operation while the Diversey trolley bus line between Harlem and Western Avenue was replaced by motor bus operation and routed through to the loop over the No. 134 route. With this change the service on Wrightwood Avenue was discontinued.



Diversey Bus Service from Logan Square "L" Terminal

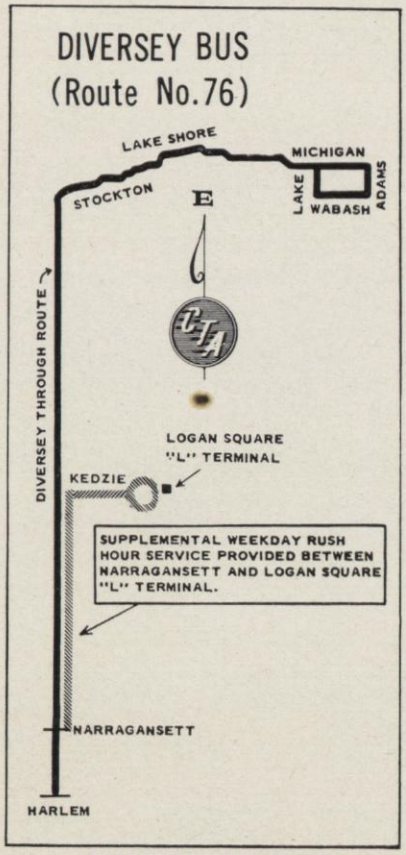
WEEKDAYS

WESTBOUND

Leave LOGAN "L"	Arrive CICERO	Arrive NARRAGANSETT	Leave LOGAN "L"	Arrive CICERO	Arrive NARRAGANSETT
AM	AM	AM	PM	PM	PM
6:52	7:03	7:10	**3:29**	**3:43**	**3:53**
6:56	7:07	7:14	**3:35**	**3:49**	**3:59**
7:01	7:11	7:19	**3:41**	**3:55**	**4:05**
7:05	7:16	7:23	**3:47**	**4:01**	**4:11**
7:09	7:20	7:28	**3:53**	**4:07**	**4:17**
7:13	7:24	7:32	**3:59**	**4:13**	**4:23**
7:17	7:28	7:36	**4:05**	**4:19**	**4:29**
7:21	7:32	7:39	**4:11**	**4:25**	**4:35**
7:25	7:36	7:43	**4:17**	**4:31**	**4:41**
7:28	7:39	7:47	**4:23**	**4:37**	**4:47**
7:32	7:43	7:51	**4:29**	**4:43**	**4:53**
7:36	7:47	7:54	**4:35**	**4:49**	**4:59**
7:40	7:51	7:58	**4:41**	**4:54**	**5:05**
7:43	7:54	8:02	**4:47**	**5:00**	**5:11**
7:47	To Depot		**4:53**	**5:06**	**5:17**
7:51	8:02	8:09	**4:59**	**5:12**	**5:23**
7:55	8:06	8:13	**5:05**	**5:18**	**5:29**
7:59	8:10	8:17	**5:11**	**5:24**	**5:35**
8:03	To Depot		**5:16**	**5:30**	**5:41**
8:07	8:18	8:26	**5:21**	**5:35**	**5:46**
8:11	To Depot		**5:26**	**5:40**	**5:51**
8:13	8:24	8:32	**5:31**	**5:45**	**5:56**
8:17	To Depot		**5:36**	**5:50**	**6:01**
8:22	8:33	8:40	**5:41**	**5:55**	**6:06**
8:27	8:38	8:45	**5:46**	**6:00**	**6:11**
8:30	To Depot		**5:51**	**6:05**	**6:16**
8:35	" "		**5:56**	**6:09**	**6:20**
8:39	" "		**6:01**	**6:13**	**6:24**
8:45	" "		**6:06**	**6:18**	**6:29**
8:51	" "		**6:11**	**6:23**	**6:32**
8:55	" "		**6:16**	**6:28**	**6:37**
9:00	" "				
9:07	" "				
9:13	" "				

A.M. Time in Light Figures.
P.M. Time in Dark Figures.

Schedule Subject to Change Without Notice.


DIVERSEY BUS
(Route No.76)
LAKE SHORE
MICHIGAN
STOCKTON
LAKE
WABASH
ADAMS
E
DIVERSEY THROUGH ROUTE
LOGAN SQUARE "L" TERMINAL
KEDZIE
SUPPLEMENTAL WEEKDAY RUSH HOUR SERVICE PROVIDED BETWEEN NARRAGANSETT AND LOGAN SQUARE "L" TERMINAL.
NARRAGANSETT
HARLEM

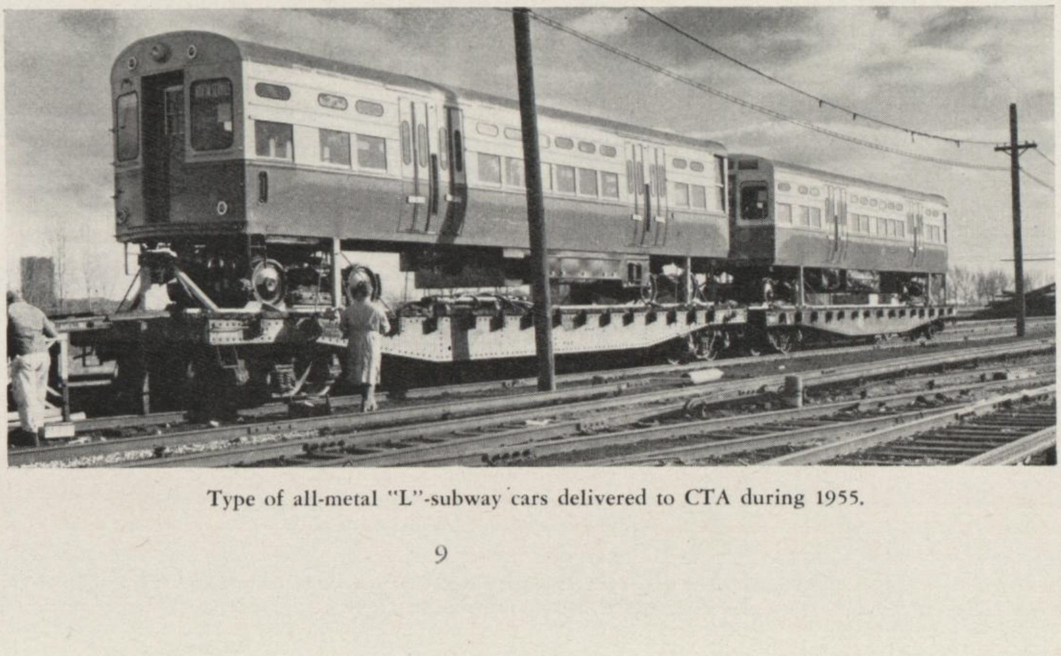
CHICAGO TRANSIT AUTHORITY

Eight bus lines were rerouted to improve service. Among them was the extension of the Higgins line to provide service on Talcott Avenue. The west Foster and the Central Extension motor bus routes were consolidated into a through route and the Kimball Avenue bus route was extended north from Lincoln Village to Devon and Kedzie. Supplementary short line services were established on the Skokie and the Central Avenue bus lines.

Three additional off-street bus terminals were placed in service during the year, one at 119th and Western for the S. Western Avenue buses, one at Jackson and Austin for the Jackson Boulevard buses and one at Damen and 87th for the South Damen buses. There are now 101 of these off-street terminals in use which release street space throughout the city.

On time operation of all vehicles is being stressed. As a means to this end, the vehicle movements in both directions at several points on each of three trolley bus lines are recorded at supervisory headquarters in the Merchandise Mart. This permits close supervision of service on these particular lines at the points checked. Development work was also performed on the application of such remote supervision to motor bus routes. Buses of two routes are being equipped with automatic short range radio transmitters which operate wayside radio receivers at the checking points as they pass over the line. This system, too, will result in central supervisory control of bus operations.

Operations at four major surface system operating depots were discontinued in 1955. They were the Blue Island, 38th and Cottage Grove, Wilcox and Ravenswood depots. Use of the leased Avondale parking lot was likewise discontinued. This had been an auxiliary of the North Park operation. Ample capacity is provided by existing depots, including the new Forest Glen terminal, which was put into operation on December 4, 1955. The Blue Island building is being remodeled for use as an auxiliary building by several departments. The three other CTA owned properties are being put up for sale.



Type of all-metal "L"-subway cars delivered to CTA during 1955.

Surface Roadway Improvements

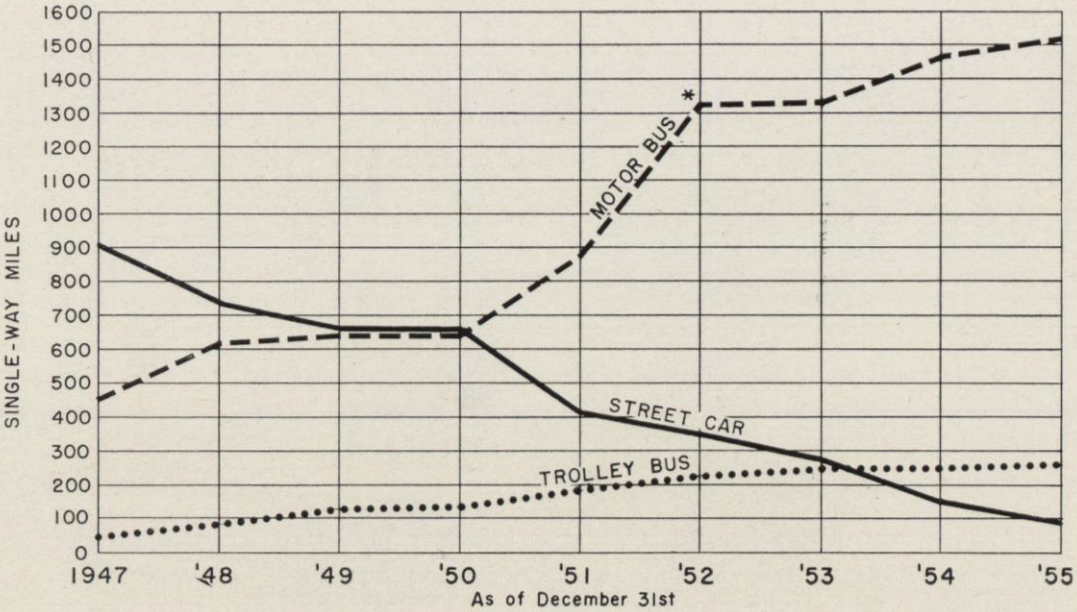
During the year a total of 63.95 miles of revenue streetcar track was abandoned due to substitution of buses. The major mileage changes on the three types of surface system service are shown below:

Type of Service	December 31, 1955	December 31, 1954
Revenue Streetcar Track in operation (Equivalent miles of single track)	89.89	153.84
Trolley bus lines (Single way miles) in operation	260.02	246.69
Motor bus lines (Single way route miles) in operation . .	1516.11	1468.29

A total of 4.10 single track miles of abandoned tracks was removed in connection with street improvement work. 124.78 track miles in streets were covered with asphalt in connection with resurfacing work by the City, County and State. The total length of track that has been removed in connection with the repaving work, since the Authority was founded in 1945, is 131 miles. In that period 575 single track miles were covered with asphalt.

MILES OF SINGLE-WAY REVENUE OPERATION

Surface System



* APPROXIMATELY 375 MILES BOULEVARD SYSTEM ROUTES ADDED IN 1952.

Rapid Transit Improvements

A new entrance to the loop for Garfield Park elevated trains was provided, effective October 11, 1955, by using the Wells Street terminal with track connections being installed for that purpose. This enabled the "L" structure to be removed in Van Buren Street from Wells Street to S. Wacker Drive and in S. Wacker Drive, thereby enabling the City to complete the work on that connection to the Congress Street Superhighway.

Additional development work was done in promoting mechanical fare collection at rapid transit stations. Ten new "Fare-O-Mat" turnstiles were installed at strategic points in the State Street Subway. These accept either two dimes or one token. Eleven additional automatic transfer issuing machines were also acquired, to be used in connection with fare collecting turnstiles and thus make these useable by a larger portion of the passengers paying cash fares. These devices, which reduce waiting time, are proving very popular, particularly during the rush hour traffic periods.

Evanston Shoppers Service

The Shoppers Special on the Evanston "L" line was placed in operation November 28, 1955, as a supplement to the regularly established service. This provides a fast deluxe rapid transit service on an extra fare basis during the mid-day period, approximately 9:30 A.M. to 3:30 P.M. on Mondays through Fridays. The fare for the experimental operation is 40c. The regularly established fare for the through ride on regular equipment is 30c. It is hoped that the new premium service will draw substantial passenger loads from those who now drive between Chicago and Evanston-Wilmette.

The service is operated at half hour intervals. In addition to other modern equipment (three-section articulated trains), four high performance rapid transit cars are utilized on this route as they are adapted to this deluxe type service and these scheduled runs are an excellent testing ground to determine the operating characteristics of this new type of equipment. These trains make all stops in Wilmette and Evanston and then operate non-stop through Chicago to Fullerton Avenue and make but one more stop, at the Merchandise Mart, before making the stops in the loop. The run between downtown Evanston and downtown Chicago is only thirty minutes.

Off-street terminals like this at 63rd and Narragansett reduce traffic accident hazards.

Congress Street Subway

Work was begun in 1955 by the Authority's Department of Way and Structure, for the account of the City of Chicago, installing track in the median strip of the Congress Street Expressway between Damen Avenue and Lotus Avenue.

This work will continue into the next year. Likewise, in 1956, work will be started on laying the tracks from Damen Avenue to the end of the present subway tracks at the Chicago River.

Work will also be done in relocating the tracks between Lotus Avenue and Des Plaines Avenue (Forest Park). This relocation of tracks is required to permit further construction of the expressway. New terminal facilities must be constructed at either Des Plaines Avenue or at Laramie Avenue, to replace existing facilities at Laramie Avenue, which must be substantially revised to make way for excavation and paving.

New Equipment

During 1955 the Authority received and placed into service 94 new rapid transit cars. An order for 80 additional cars was placed during 1955 and in February 1956 another order was placed for 50 more cars, all scheduled for delivery during 1956. These are improved models of the Authority's standard rapid transit cars, using certain component parts from the PCC streetcars. Accordingly, PCC streetcars will be retired as fast as substitute bus equipment can be obtained.

78 modern motor buses also were delivered during the year. 250 motor buses were ordered early in 1956 for delivery later that year, including 100 to be obtained on lease. These buses are being used to replace PCC streetcar equipment and to replace some of the older buses now in service.

High Performance Cars

Four experimental high speed cars were developed from four standard light weight rapid transit cars which had been converted from PCC streetcars by St. Louis Car Company. These are identical in appearance to Chicago Transit Authority standard light weight cars; actually the only major differences are in the type of motors, controls and trucks. The four motors on each car are rated at 100 horse power each compared to the 55 horse power rating of the standard light weight car motor. These cars were ready for test in the fall of 1955.

The rate of acceleration of the new cars is extremely rapid and, under acceleration tests, a speed of thirty miles per hour has been reached in ten seconds. Free running speed of over seventy-five miles per hour has been reached. The General Electric Company and the Westinghouse Electric Corporation each furnished the electrical equipment for two cars, American Steel Foundries Company supplied a newly designed disc brake, and St. Louis Car Company assisted in the development work.

The performance of these cars has demonstrated that a high speed, light weight, rapid transit car is feasible and that such cars, under proper operating conditions, can very materially step up overall speed of rapid transit service. High average speeds are obtained not only from the higher maximum speeds, as compared with the older equipment, but from the longer sustained high rate of acceleration as well.

On Otcober 3, 1955, these cars were exhibited to civic, press, manufacturing and transportation personnel. Test runs were made to demonstrate their performance characteristics. The results of the tests were favorably received.

These cars are now being operated in the Evanston Shoppers service and their performance is being very closely watched.

Forest Glen Station

The newly constructed Forest Glen station opened Sunday, December 4, 1955, as the operating base for twelve trolley bus and motor bus routes. It is located on the north and south sides of Armstrong Avenue just east of Elston Avenue in the northwest section of the city. It consists of a service and maintenance plant and motor bus storage yard on the north side of the street and a trolley bus storage yard on the south side of the street. A transportation building is under construction on the south side of the street.

This station covers eleven acres and has, in addition to complete service facilities, two paved storage yards which are capable of accommodating 175 trolley buses and 200 motor buses. The facilities provide for speedy and efficient handling of vehicles throughout all the operational procedures necessary to properly maintain passenger equipment in day-to-day use.

Courtesy Caravan

A campaign designed to improve the quality of service rendered and thereby increase passenger revenue was inaugurated in May, when a courtesy caravan began a series of scheduled visits to operating stations. The caravan consisted of two specially equipped buses which were used as traveling classrooms. They were equipped with automatic film projectors for visual presentation of the campaign's objectives which were narrated by General Manager Walter J. McCarter on a sound film recording. The courtesy caravan made a complete tour of all the operating stations and was shown for several days in the offices in the Merchandise Mart.

Chicago Transit Board

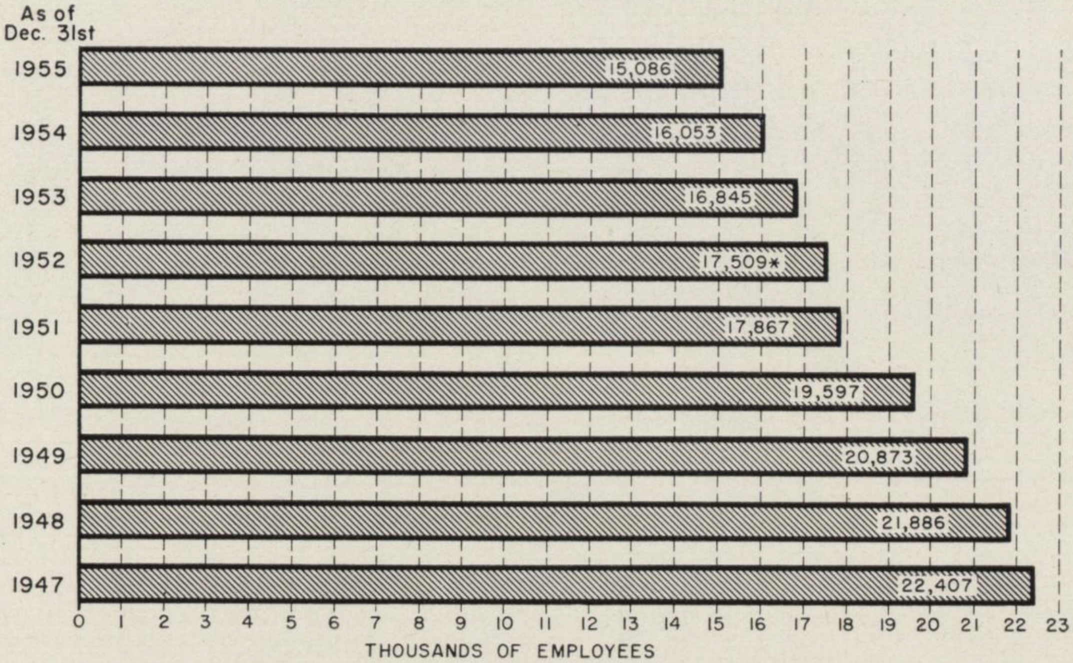
Mr. Philip W. Collins was appointed a Member of Chicago Transit Board during 1955, to succeed himself, for the term expiring September 1, 1962. The appointment was made by Honorable William G. Stratton, Governor of Illinois and approved by Honorable Richard J. Daley, Mayor of Chicago. Mr. Collins filed his oath of office with the Secretary of State on October 10, 1955.

The Board held eighteen meetings for the transaction of official business during the year and, in addition, held many informal conferences and public hearings.

Personnel

Mr. Harry Essington, Power Engineer in the Electrical Department and Mr. Joseph Gaynor, Superintendent of Surface Operations, in the Transportation Department, retired during the year. Mr. Essington's position was filled by Mr. C. J. Buck and Mr. Gaynor's position was filled by Mr. J. J. Hemzacek. Other appointments during the year were Mr. G. J. Clark to Assistant Superintendent of Technical Service Division of the shops, Mr. R. H. Martz to the position of Superintendent of South Shops, Mr. J. E. Platt, Superintendent of West Shops, Mr. E. J. Healy, Administrative Assistant to Superintendent of Investigation and Claims, Mr.

NUMBER OF C.T.A. EMPLOYEES



* OVER 1200 EMPLOYEES FROM BOULEVARD SYSTEM WERE ADDED IN 1952.

J. F. Anderson to Chief Adjuster in the Claim Department and Mr. J. A. Baker to Director of Training and Accident Prevention.

During the year 499 employes retired on pensions. There were 353 deaths of persons pensioned. The total number of persons on pension at December 31, was 5062. Some shortages still exist in the number of bus operators. The number of active employes at the end of the year was 15086. This compared with 16053 at December 31, 1954.

The Shore Line and The Chicago, Aurora & Elgin

At the 1955 session of the General Assembly of the State of Illinois, legislation was enacted which permits CTA to acquire other rail systems, part of whose operations may extend beyond the present CTA statutory area. This has made necessary certain investigations of the operations of the "Shore Line" route of the Chicago North Shore and Milwaukee Railway Company and of the Chicago Aurora and Elgin Railway Company.

On July 25, 1955, with the approval of the Illinois Commerce Commission and the Interstate Commerce Commission, the Chicago North Shore and Milwaukee Railway Company discontinued all passenger service between downtown Chicago and Waukegan via its "Shore Line" route. The total route mileage of the discontinued service was 37.37 one-way miles, of which 15.97 miles was over CTA tracks. On request of interested commuter groups the CTA had W. G. Gilman and Company, its consulting engineers, investigate the possibility of purchase by it of any of the right-of-way or other properties comprising the "Shore Line" operations. The engineers reported that, in their opinion, a resumption of the competitive situation with the Chicago & North Western Railway would be detrimental to the Authority's operation. They did, however, recommend certain service improvements on the Authority's own lines, among them was the establishment of the "Evanston Shoppers Special," which operation is covered elsewhere in this report.

A similar study was made, by W. C. Gilman and Company, relative to the acquisition and operation of the transportation properties of the Chicago, Aurora & Elgin Railway Company. It is the opinion of the engineers that it would be inadvisable for Chicago Transit Authority to acquire the physical property of that company or to take over the operation of such property under a lease even though it may result in some uncertainty as to the continuance of such rail operations. It is also their opinion that the operations would definitely fail to earn operating expenses and depreciation during the near term future period.

In view of these circumstances the Authority does not find it practical to acquire all or a portion of these properties. However, it recognizes the desirability of maintaining these rights of way and will cooperate in taking reasonable steps to encourage commuter service to the areas affected within its ability to do so.

Plans for 1956

It is anticipated that there will be at least 130 rapid transit cars delivered during the year 1956. Delivery of these cars will bring the number of modern rapid transit units up to 604. An additional 150 units must still be acquired to eliminate all obsolete part wood type cars.

Delivery of 250 motor buses is anticipated for 1956. Of these 150 will be financed by equipment trust certificates and 100 will be operated under lease.

The transportation building, a utility building and various yard improvements will be installed at Forest Glen garage and terminal, to complete this modern facility. Improvements and additions will be made to many existing garages, shops, terminals and other buildings.

There will be little track work done on the surface system because of the expanding bus program, but continued improvement will go forward on the rapid transit track and structure because of the increased demands on this off-street facility.

The Authority will continue with the laying of track, for the account of the City, in the median strip of the Congress Street Superhighway in anticipation of an early opening.

Field work on Chicago's Metropolitan transportation study is expected to be commenced in 1956. City, County, State and Federal governments are sharing in the $1,850,000 cost of determining long-term transportation requirements. It will establish a base for continuous maintenance of transportation data essential to traffic planning and so be of value to Chicago Transit Authority. A preliminary report is scheduled for about December, 1957, with the final report a year later.

Acknowledgments

The action of the State of Illinois in removing the motor fuel tax charge on fuel used in CTA vehicles has aided us in providing a high standard of service at reasonable rates. The cooperation of other governmental agencies is likewise acknowledged with particular respect to aids to traffic and transportation.

We also wish to express our thanks to the employes of CTA for their help in enabling the Authority to continue placing every emphasis on service improvement.

By Order of the Board

V. E. Gunlock

Chairman

Room 734
Merchandise Mart Plaza
Chicago 54, Illinois
May 3, 1956

ARTHUR ANDERSEN & CO.

120 SOUTH LASALLE STREET
CHICAGO 3

Chicago Transit Board,
Chicago Transit Authority:

We have examined the balance sheet of CHICAGO TRANSIT AUTHORITY (an Illinois municipal corporation) as of December 31, 1955, and the related statements of income, of accumulated net earnings, of application of revenues and of funds for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet and related statements of income, of accumulated net earnings and of funds present fairly the financial position of Chicago Transit Authority as of December 31, 1955, and the results of its operations and fund transactions for the year then ended, and were prepared in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

It is our further opinion that the accompanying statement of application of revenues presents fairly the distribution made of revenues of Chicago Transit Authority for the year ended December 31, 1955, and was prepared in accordance with the provisions of the Trust Agreement securing the Revenue Bonds.

ARTHUR ANDERSEN & CO.

March 2, 1956

CHICAGO TRANSIT AUTHORITY —

Assets

	December 31 1955	 1954
Transportation Property, at cost	$168,865,288	$167,785,282
Less—Reserve for depreciation	35,435,320	32,266,252
	$133,429,968	$135,519,030
Special Funds—cash and U. S. Government securities (see accompanying statement of funds):		
Under control of Revenue Bond Trustee—		
Transit Revenue	$ —	$ —
Series of 1947 Serial Bond Maturity	1,400,000	1,200,000
Revenue Bond Reserves	7,476,899	7,102,355
Depreciation Reserve ($1,723,856 minimum balance required at December 31, 1955, by Equipment Trust Agreements)	4,201,488	3,750,775
Revenue Bond Amortization	207,070	424,952
Operating Expense Reserve	1,571,426	1,571,426
Modernization	951,532	1,998,240
	$ 15,808,415	$ 16,047,748
Under control of Equipment Trustee (for purchase of equipment)	2,693,582	3,053,096
Damage Reserve	1,409,430	1,271,601
	$ 19,911,427	$ 20,372,445
Current Assets:		
Cash, U. S. Government and municipal securities (see accompanying statement of funds)—		
Working cash (including $5,000,000 provided from Revenue Bond proceeds)	$ 12,464,228	$ 11,719,672
Deposits for payment of interest on Revenue Bonds	2,441,899	2,503,001
Deposits for payment of interest on Equipment Trust Certificates	350,054	422,860
	$ 15,256,181	$ 14,645,533
Accounts receivable, less reserve	1,746,474	1,540,970
Materials and supplies, at average cost	5,453,499	5,965,921
Prepayments and other current assets	549,642	626,158
	$ 23,005,796	$ 22,778,582
Deferred Charges:		
Discount on Series of 1952 Revenue Bonds	$ 721,340	$ 838,371
Improvements to leased offices, in process of amortization	379,426	444,470
Other	5,673	8,647
	$ 1,106,439	$ 1,291,488
	$177,453,630	$179,961,545

COMPARATIVE BALANCE SHEETS

Liabilities

	December 31	
	1955	1954
Long-Term Debt (see accompanying statements):		
Revenue Bonds	$126,891,000	$130,422,000
Equipment Trust Certificates after deducting funds of $2,621,800 and $855,600 respectively held by Trustee for payment of principal—Note 1	12,378,200	14,144,400
	$139,269,200	$144,566,400
4% **Property Purchase Obligation,** $142,000 payable annually from Depreciation Reserve Fund	$ 426,000	$ 710,000
Accumulated Net Earnings (see accompanying statement):		
Portion allocated in accordance with Revenue Bond Trust Agreement for—		
Serial Bond Maturity	$ 6,600,000	$ 4,000,000
Revenue Bond Reserves	7,476,899	7,102,355
Revenue Bond Amortization	2,883,506	2,052,919
Operating Expense Reserve	1,571,426	1,571,426
Modernization	569,297	537,249
Other	206,273	138,474
	$ 19,307,401	$ 15,402,423
Less—Financing costs not deductible from revenues in accordance with Revenue Bond Trust Agreement	3,895,900	3,063,032
	$ 15,411,501	$ 12,339,391
Current Liabilities:		
Accounts payable	$ 4,488,928	$ 4,066,174
Accrued wages	5,678,371	5,785,863
Accrued interest on Revenue Bonds	2,441,899	2,503,001
Accrued interest on Equipment Trust Certificates	350,054	422,860
Unredeemed tickets and tokens	311,251	333,408
	$ 13,270,503	$ 13,111,306
Deferred Liability (for repaving of abandoned right of way)	$ 1,908,116	$ 2,203,966
Damage Reserve	$ 7,168,310	$ 7,030,482
Equipment Commitments—Note 1		
	$177,453,630	$179,961,545

The accompanying notes are an integral part of these balance sheets.

Statement of Revenue Bonds

December 31, 1955

	Total Revenue Bonds	Series of 1947	
		Interest Rate	Amount
Principal Amount by Year of Maturity:			
1956	$ 2,800,000	3¼%	$ 2,800,000
1957	3,000,000	3¼	3,000,000
1958-1961	8,000,000	3⅜	8,000,000
1962-1965	8,000,000	3½	8,000,000
1966-1972	13,000,000	3⅝	13,000,000
1978	62,645,000	3¾	62,645,000
1982	29,446,000	—	—
REVENUE BONDS per balance sheet	$126,891,000		$ 97,445,000
OTHER DATA WITH RESPECT TO REVENUE BONDS:			
Funds on deposit or to be deposited with Trustee, classified as special funds in balance sheet—			
Serial Bond Maturity	$ 1,400,000		$ 1,400,000
Revenue Bond Reserves	7,476,899		6,400,000
Revenue Bond Amortization	207,070		158,491
	$ 9,083,969		$ 7,958,491
Deposits with Trustee (exclusive of interest) required in 1956 (note)—			
Serial Bond Maturity, monthly deposits beginning July 1 of each year to pay Series of 1947 Revenue Bonds maturing the following July 1	$ 2,900,000		$ 2,900,000
Revenue Bond Reserves—			
Series of 1947, required to be maintained at $6,400,000	—		—
Series of 1952, $23,000 monthly until fund aggregates 6% of the principal amount of the then outstanding Series of 1952 Revenue Bonds	276,000		—
Series of 1953, $7,000 monthly until fund aggregates 6% of the principal amount of the then outstanding Series of 1953 Revenue Bonds	84,000		—
	$ 3,260,000		$ 2,900,000

NOTE: The Authority is also required to deposit from monies remaining after all required deposits in the Depreciation Fund have been made, $316,714 each quarter, and deficiencies, if any, in previous quarters within the year, in the Revenue Bond Amortization Fund.

Sinking fund deposits are required for the Revenue Bonds beginning July 1, 1957, for the Series of 1947 and January 1, 1960, for the Series of 1952 and 1953.

Series of 1952		Series of 1953	
Interest Rate	Amount	Interest Rate	Amount
—%	$ —	—%	$ —
—	—	—	—
—	—	—	—
—	—	—	—
—	—	—	—
—	—	—	—
4½	22,522,000	4½	6,924,000
	$ 22,522,000		$ 6,924,000
	$ —		$ —
	893,192		183,707
	36,888		11,691
	$ 930,080		$ 195,398
	$ —		$ —
	—		—
	276,000		—
	—		84,000
	$ 276,000		$ 84,000

Statement of Equipment Trust Certificates

December 31, 1955

	Total Equipment Trust Certificates	Series 4 Class 1 3¾%	Series 4 Class 2 4½%
Principal Amount by Year of Maturity:			
1956	$ 2,780,000	$1,090,000	$ 385,000
1957	2,895,000	1,130,000	400,000
1958	2,980,000	1,170,000	415,000
1959	2,705,000	1,215,000	215,000
1960	2,395,000	1,270,000	—
1961	205,000	—	—
1962	215,000	—	—
1963	225,000	—	—
1964	235,000	—	—
1965	240,000	—	—
1966	125,000	—	—
Total outstanding	$15,000,000	$5,875,000	$1,415,000
Less—Funds held by Trustee for payment of principal (deducted from Equipment Trust Certificates in accompanying balance sheet)	2,621,800	1,200,000	190,000
EQUIPMENT TRUST CERTIFICATES, per balance sheet	$12,378,200	$4,675,000	$1,225,000
OTHER DATA WITH RESPECT TO EQUIPMENT TRUST CERTIFICATES:			
Deposits with Trustee required in 1956 for payment of principal (Note 2)	$ 2,840,000	$1,110,000	$ 395,000

	Series 4 Units	Series 4 Amount
Collateral at December 31, 1955—		
Equipment held in name of Trustee (at contract cost)—		
Propane buses	266	$ 5,060,519
Elevated-subway cars	137	6,429,660
Partial payments on elevated-subway cars in process of manufacture or delivery	—	—
Cash and U. S. Government securities held by Trustee for purchase of elevated-subway cars	—	—
		$11,490,179

NOTES:

(1) Additional interest of 2% and 1% per annum is payable to January 1, 1957, on the Series 6, Class 1 and Class 2 certificates, respectively. Additional interest of 2% per annum is payable to December 1, 1957, on the Series 7 certificates.

(2) Payments of principal and interest on all series of Equipment Trust Certificates are to be made from the Depreciation Reserve Fund, deposits to which are to be made only after requirements have been fulfilled for principal and interest on the Revenue Bonds.

Series 5		Series 6		
Class 1	Class 2	Class 1	Class 2	Series 7
4%	5%	4% (Note 1)	5% (Note 1)	3½% (Note 1)
$ 320,000	$115,000	$ 640,000	$230,000	$ —
335,000	120,000	670,000	240,000	—
345,000	120,000	690,000	240,000	—
360,000	65,000	720,000	130,000	—
375,000	—	750,000	—	—
—	—	—	—	205,000
—	—	—	—	215,000
—	—	—	—	225,000
—	—	—	—	235,000
—	—	—	—	240,000
—	—	—	—	125,000
$1,735,000	$420,000	$3,470,000	$840,000	$1,245,000
355,600	55,000	711,200	110,000	—
$1,379,400	$365,000	$2,758,800	$730,000	$1,245,000
$ 325,000	$120,000	$ 650,000	$240,000	$ —

Series 5		Series 6		Series 7	
Units	Amount	Units	Amount	Units	Amount
100	$1,975,286	134	$2,672,637	—	$ —
26	1,233,329	92	4,364,857	15	716,418
—	—	—	—	—	812,000
—	—	—	—	80	2,693,582
	$3,208,615		$7,037,494		$4,222,000

Notes to Financial Statements

December 31, 1955

(1) The Authority has entered into an agreement with John Nuveen & Co., which provides, subject to certain conditions, for the sale of new Equipment Trust Certificates (not to exceed $15,000,000 principal amount) in such amounts that the aggregate amount of all certificates outstanding at any time will not exceed $15,000,000.

Pursuant to this agreement, the Authority has authorized the sale of $4,025,000 of Series 7 Equipment Trust Certificates of which $1,245,000 was issued in 1955. It is anticipated that the remaining Series 7 Certificates ($2,780,000) and additional certificates may be issued as presently outstanding certificates mature to the extent that such funds are required for the purchase of equipment. The equipment so purchased will be pledged as collateral for such certificates.

Commitments for the conversion of 80 P.C.C. streetcars to elevated-subway cars aggregate approximately $3,125,000. Subsequent to December 31, 1955, the Authority contracted for the purchase of 150 motor buses at the contract cost of $2,989,500 and for the conversion of an additional 50 P.C.C. streetcars to elevated-subway cars at the contract cost of $2,047,000. The cost of this equipment is to be paid from funds held by the Equipment Trustee, from the proceeds of additional Equipment Trust Certificates, and from Depreciation and Modernization Funds.

(2) On February 20, 1956, the Authority entered into a lease contract with Mack Motor Truck Corporation covering the lease of 100 propane motor buses for a term of eight years at a total term rental of $2,430,216. The term rental is to begin with the first delivery, scheduled for October 1956, and is payable in installments aggregating $607,554 in the first and second years, $303,777 in the third, fourth and fifth years, $151,889 in the sixth year and $75,944 in the seventh and eighth years.

Statements of Income (See Note)

For the Years Ended December 31, 1955 and 1954

	1955	1954
Revenues	$120,897,185	$121,139,515
Operating Expenses:		
Operation and maintenance expenses—		
Way and structures	$ 6,372,230	$ 6,155,056
Equipment	18,890,701	14,405,508
Power	6,049,381	6,574,030
Fuel for revenue equipment	3,535,013	4,124,778
Conducting transportation	48,543,650	54,207,409
Provision for injuries and damages	8,660,560	7,502,934
General and administrative expenses—		
Employees' pensions and insurance	5,555,041	5,635,183
Social security taxes	1,264,769	1,185,072
Other	3,616,846	3,621,567
	$102,488,191	$103,411,537
Depreciation	9,671,775	9,691,161
Municipal compensation	—	—
	$112,159,966	$113,102,698
Net operating income	$ 8,737,219	$ 8,036,817
Interest Deductions:		
Interest on Revenue Bonds	$ 4,946,632	$ 5,040,612
Interest on Equipment Trust Certificates	770,441	749,752
Interest on Property Purchase Obligation	27,927	32,471
Amortization of Revenue Bond discount	34,500	34,500
Interest earned on funds controlled by Revenue Bond Trustee	(114,391)	(48,829)
	$ 5,665,109	$ 5,808,506
Net income (see note)	$ 3,072,110	$ 2,228,311

NOTE: The above statements show the revenues, expenses and net income of the Authority for the years ended December 31, 1955 and 1954. These statements do not purport to show the disposition of gross revenues in the order of precedence required by the Trust Agreement securing the Revenue Bonds. Such information is presented in the accompanying Statements of Accumulated Net Earnings and Application of Revenues.

( ) Denotes deduction.

The accompanying notes are an integral part of these statements.

Statements of Application of Revenues

(Applied in the order of precedence required by Trust Agreement securing Revenue Bonds)
For the Years Ended December 31, 1955 and 1954

	1955	1954
Revenues	$120,897,185	$121,139,515
Operation and Maintenance Expenses	102,488,191	103,411,537
	$ 18,408,994	$ 17,727,978
Debt Service Requirements—Revenue Bonds:		
Interest	$ 4,946,632	$ 5,040,612
Serial Bond Maturity	2,600,000	2,100,000
Revenue Bond Reserves	360,000	360,000
	$ 7,906,632	$ 7,500,612
Balance	$ 10,502,362	$ 10,227,366
Other Requirements:		
Depreciation	$ 9,671,775	$ 9,691,161
Revenue Bond amortization	830,587	536,205
Operating Expense Reserve	—	—
Municipal compensation	—	—
	$ 10,502,362	$ 10,227,366
Unappropriated net revenues	$ —	$ —

NOTE: Revenues remaining in each year after deducting operation and maintenance expenses are to be deposited in the following funds, in the order shown, to the extent that monies are available therefor:

1. Revenue Bond Interest, Serial Bond Maturity, and Reserve Funds—Deposits equal to debt service requirements as provided for in the Revenue Bond Trust Agreement.
2. Depreciation Reserve Fund—Deposits equal to annual depreciation provision and deficiencies, if any, in prior years' deposits.
3. Revenue Bond Amortization Fund—Deposits, cumulative within the year, equal to $300,000 quarterly for the Series of 1947 and 1952 Revenue Bonds and $16,714 quarterly for the Series of 1953 Revenue Bonds.
4. Operating Expense Reserve Fund—Deposit to be $900,000 each year.
5. Municipal Compensation Fund—Deposit to be equal to an amount computed in accordance with the Franchise Ordinance.
6. Modernization Fund—Deposit to be equal to the monies remaining after making required deposits in the above funds.

The accompanying notes are an integral part of these statements.

IT AUTHORITY

ls Under Control of Revenue Bond Trustee					Funds Under Control of Equipment Trustee (See Accompanying Statement)	Other Funds	
Bond							
Reserves	Depreciation Reserve	Revenue Bond Amortization	Operating Expense Reserve	Modernization		Damage Reserve	Working Cash
$7,102,355	$3,750,775	$ 424,952	$1,571,426	$1,998,240	$3,053,096	$1,271,601	$ —
—	—	—	—	—	422,860	—	11,719,672
—	—	—	—	—	855,600	—	—
$7,102,355	$3,750,775	$ 424,952	$1,571,426	$1,998,240	$4,331,556	$1,271,601	$ 11,719,672
—	1,025,634	(424,025)	—	464,315	(70,000)	(631,150)	(6,071,244)
$7,102,355	$4,776,409	$ 927	$1,571,426	$2,462,555	$4,261,556	$ 640,451	$ 5,648,428
$ 159,368	$ —	$ —	$ 39,125	$ —	$ 32,914	$ —	$ 399
—	—	—	—	—	1,245,000	—	—
14,544	67,799	—	—	592,048	(32,914)	—	(399)
360,000	9,690,917	1,048,933	—	533,550	—	—	106,208,761
(159,368)	—	—	(39,125)	385,513	—	8,424,625	(8,810,139)
$ 374,544	$9,758,716	$1,048,933	$ —	$1,511,111	$1,245,000	$8,424,625	$ 97,398,622
$ —	$ —	$ —	$ —	$ —	$ —	$ —	$101,776,351
—	2,354,394	1,048,469	—	244,973	6,838,522	8,584,828	(2,599,366)
—	5,905,402	—	—	1,092,000	(6,997,402)	—	—
$ —	$8,259,796	$1,048,469	$ —	$1,336,973	$ (158,880)	$8,584,828	$ 99,176,985
$ 25,899	$ 876,444	$ 1,391	$ 6,426	$ 6,557	$1,731,807	$ 480,248	$ 3,853,894
7,451,000	5,398,885	—	1,565,000	2,630,136	3,933,629	—	16,171
$7,476,899	$6,275,329	$ 1,391	$1,571,426	$2,636,693	$5,665,436	$ 480,248	$ 3,870,065
—	—	—	—	—	—	—	—
—	844,056	205,679	—	—	—	929,182	3,991,105
—	(2,917,897)	—	—	(1,685,161)	—	—	4,603,058
$7,476,899	$4,201,488(1)	$ 207,070	$1,571,426	$ 951,532	$5,665,436	$1,409,430	$ 12,464,228
$7,476,899	$4,201,488	$ 207,070	$1,571,426	$ 951,532	$2,693,582	$1,409,430	$ —
—	—	—	—	—	350,054	—	12,464,228
—	—	—	—	—	2,621,800	—	—
$7,476,899	$4,201,488	$ 207,070	$1,571,426	$ 951,532	$5,665,436	$1,409,430	$ 12,464,228

( ) Denotes deduction.

Statement of Accumulated Net Earnings

For the Year Ended December 31, 1955

		Portion All		
	Total	Serial Bond Maturity	Revenue Bond Reserves	Revenu Bond Amortiz
Balance December 31, 1954	$12,339,391	$4,000,000	$7,102,355	$2,052,
Net income for 1955, per statement of income	3,072,110	—	14,544 (2)	—
Allocation of net earnings for—				
Debt service requirements	—	2,600,000	360,000	—
Revenue Bond amortization	—	—	—	830,
Balance December 31, 1955	$15,411,501	$6,600,000	$7,476,899	$2,883,

( ) Denotes deduction.

NOTES:

(1) In accordance with the Revenue Bond Trust Agreement these items, representing accumulated interest and redemption pren the Depreciation Reserve Fund, and amortization of discount on Revenue Bonds, are not deductible from revenues.

(2) Interest earnings on investments in funds controlled by the Revenue Bond Trustee which are available only for disbursement

cated in Accordance With Revenue Bond Trust Agreement For

e tion	Operating Expense Reserve	Modernization	(Other— Depreciation Fund and Special Modernization)	Unallocated Net Earnings	Financing Costs Not Deductible from Revenues (Note 1)
19	$1,571,426	$537,249	$138,474	$ —	$(3,063,032)
	—	32,048 (2)	67,799 (2)	3,790,587	(832,868)
	—	—	—	(2,960,000)	—
587	—	—	—	(830,587)	—
06	$1,571,426	$569,297	$206,273	$ —	$(3,895,900)

ium on Equipment Trust Certificates and interest on the Property Purchase Obligation paid from

for purposes for which the funds were created.

Statement of Funds

For the Year Ended December 31, 1955

			Fun	
			Revenue	
	Total	Transit Revenue	Interest	Serial Maturit
Balance December 31, 1954—				
Classified in accompanying balance sheet as:				
Special funds	$ 20,372,445	$ —	$ —	$1,200,00
Current assets	14,645,533	—	2,503,001	—
Reduction of long-term debt	855,600	—	—	—
	$ 35,873,578	$ —	$2,503,001	$1,200,00
Eliminate—				
Fund transfers and deposits recorded at December 31, 1954, but made after that date	(347,049)	5,359,421	—	—
Balance December 31, 1954—				
After eliminating above transfers and deposits	$ 35,526,529	$ 5,359,421	$2,503,001	$1,200,00
Add—Receipts:				
Collection of revenues	$120,681,762	$120,409,025	$ 22,036	$ 18,89
Proceeds from sales of Equipment Trust Certificates	1,245,000	—	—	—
Other receipts	5,374,428	4,733,350	—	—
Transfers from Transit Revenue Fund	—	(125,388,793)	4,946,632	2,600,00
Other transfers (net)	—	239,425	(22,036)	(18,89
	$127,301,190	$ (6,993)	$4,946,632	$2,600,00
Deduct—Disbursements:				
Costs and expenses of operations, purchase of materials and supplies, reimbursable expenditures, etc.	$101,776,351	$ —	$ —	$ —
Disbursements for purposes for which funds were created	23,879,554	—	5,007,734	2,400,00
Transfers from Revenue Bond Trustee to Equipment Trustee (see accompanying statement)	—	—	—	—
	$125,655,905	$ —	$5,007,734	$2,400,00
Balance December 31, 1955—				
Before transfers described below:				
Cash	$ 16,176,993	$ 5,352,428	$2,441,899	$1,400,00
U. S. Government and municipal securities (at cost)	20,994,821	—	—	—
	$ 37,171,814	$ 5,352,428	$2,441,899	$1,400,00
Add or (Deduct):				
December collections deposited January 3, 1956	617,594	617,594	—	—
Fund transfers to be made after December 31, 1955—				
Transfers from Transit Revenue Fund	—	(5,970,022)	—	—
Reimbursement of working cash for disbursements payable from special funds	—	—	—	—
	$ 37,789,408	$ —	$2,441,899	$1,400,00
Balance December 31, 1955—				
Classified in accompanying balance sheet as:				
Special funds	$ 19,911,427	$ —	$ —	$1,400,00
Current assets	15,256,181	—	2,441,899	—
Reduction of long-term debt	2,621,800	—	—	—
	$ 37,789,408	$ —	$2,441,899	$1,400,00

NOTE (1): $1,723,856 minimum balance required at December 31, 1955, by Equipment Trust Agreements.

Revenue Equipment Owned

December 31, 1955

Surface Division:	On Hand Dec. 31, 1954	January 1, 1955 to December 31, 1955 Acquired	Retired	On Hand Dec. 31, 1955
Streetcars—				
P. C. C. Cars	410	—	84	326
Other Closed Platform	28	—	26	2
Open Platform	57	—	51	6
Total Street Cars	495	—	161	334
Buses—				
Trolley Buses	649	—	49	600
Gas—Mechanical	289	—	19	270
Gas—Hydraulic	529	—	3	526
Diesel—Hydraulic	716	—	4	712
Propane—Hydraulic	972	78	—	1,050
Total Buses	3,155	78	75	3,158
Total Surface Equipment	3,650	78	236	3,492
Rapid Transit Division:				
Elevated Cars—wood and steel	507	—	176	331
Elevated-Subway Cars				
Steel, Conventional type	454	—	2	452
Metal, Articulated	4	—	—	4
Metal, P. C. C.	376	94	—	470
Total Rapid Transit Cars	1,341	94	178	1,257
Total Revenue Equipment Owned	4,991	172	414	4,749

Statements of Funds Under Control of Equipment Trustee

For the Year Ended December 31, 1955

	Total Funds Under Control of Equipment Trustee	Payment of Interest	Payment of Pri	
			Series 4	Series 5
Balance December 31, 1954–				
Classified in accompanying balance sheet as:				
Special funds	$3,053,096	$ –	$ –	$ –
Current assets	422,860	422,860	–	–
Reduction of long-term debt	855,600	–	660,000	195,600
	$4,331,556	$422,860	$ 660,000	$195,600
Add–Receipts:				
Proceeds from sale of Equipment Trust Certificates	$1,245,000	$ –	$ –	$ –
Interest collections on U. S. Government securities	32,914	2,260	15,386	4,424
Interest collections transferred to Revenue Bond Trustee	(32,914)	(2,260)	(15,386)	(4,424
Transfers from Revenue Bond Trustee for–				
Payment of principal and interest on Equipment Trust Certificates	3,784,114	772,914	1,390,000	410,000
Purchase of equipment	2,121,288	–	–	–
Proceeds from sale of P.C.C. cars	1,022,000	–	–	–
	$8,172,402	$772,914	$1,390,000	$410,000
Deduct–Disbursements:				
Payments to equipment manufacturers	$4,747,802	$ –	$ –	$ –
Payment of principal and interest on Equipment Trust Certificates	2,090,720	845,720	660,000	195,000
	$6,838,522	$845,720	$ 660,000	$195,000
Balance December 31, 1955–				
Cash	$1,731,807	$350,054	$ 731,272	$215,780
U. S. Government securities (at cost)	3,933,629	–	658,728	194,820
	$5,665,436	$350,054	$1,390,000	$410,600
Balance December 31, 1955–				
Classified in accompanying balance sheet as:				
Special funds	$2,693,582	$ –	$ –	$ –
Current assets	350,054	350,054	–	–
Reduction of long-term debt	2,621,800	–	1,390,000	410,600
	$5,665,436	$350,054	$1,390,000	$410,600

Equipment Trust Certificate Funds

	ncipal	Purchase of Equipment			
	Series 6	Series 4	Series 5	Series 6	Series 7
	$ —	$158,513	$ 92,798	$2,801,785	$ —
	—	—	—	—	—
	—	—	—	—	—
	$ —	$158,513	$ 92,798	$2,801,785	$ —
	$ —	$ —	$ —	$ —	$1,245,000
	8,119	210	—	2,515	—
)	(8,119)	(210)	—	(2,515)	—
	1,211,200	—	—	—	—
	—	32,178	24,616	109,494	1,955,000
	—	—	—	—	1,022,000
	$1,211,200	$ 32,178	$ 24,616	$ 109,494	$4,222,000
	$ —	$190,691	$117,414	$2,911,279	$1,528,418
	390,000	—	—	—	—
	$ 390,000	$190,691	$117,414	$2,911,279	$1,528,418
	$ 431,317	$ —	$ —	$ —	$ 3,384
	389,883	—	—	—	2,690,198
	$ 821,200	$ —	$ —	$ —	$2,693,582
	$ —	$ —	$ —	$ —	$2,693,582
	—	—	—	—	—
	821,200	—	—	—	—
	$ 821,200	$ —	$ —	$ —	$2,693,582

Mileage Owned, Leased and Operated

December 31, 1955

	Surface System	Rapid Transit System	Combined System
Track Owned or Leased:			
Owned	339.20	180.52	519.72
Leased	—	28.72	28.72
Total Track Owned or Leased	339.20	209.24	548.44
Revenue and Non-Revenue Track or Route Mileage:			
Revenue Miles in Operation—			
Revenue Tracks in Operation	89.89	169.47	259.36
Trolley Bus Lines (Single Way Miles) in Operation	260.02	—	260.02
Motor Bus Lines (Single Way Miles) in Operation	1,516.11	—	1,516.11
Total Revenue Miles in Operation	1,866.02	169.47	2,035.49
Non-Revenue Miles—			
Unused Track	218.60 (1)	1.20 (1)	219.80
Service Track	30.71 (2)	38.57 (3)	69.28
Connecting Trolley Bus Lines, and Trolley Bus Storage	11.39	—	11.39
Total Non-Revenue Miles	260.70	39.77	300.47
TOTAL	2,126.72	209.24	2,335.96

NOTES:

(1) This mileage covers Tracks located in public ways and streets which are isolated, Tracks from which electric service has been disconnected, and Tracks not used.

(2) This mileage covers Tracks located in yards and carhouses; also 17.36 miles in public ways and streets used for pull-in, pull-out, work cars, and in case of emergencies.

(3) Includes 13.81 miles of Main Line Storage Track.Balance consists of Tracks in yard and carhouses.

Statement of Transportation Property and Organization Expense

Showing Balance at December 31, 1954, Plus Additions and Less Retirements During Year 1955 and Balance at December 31, 1955

	Balance Dec. 31, 1954	Plus Gross Additions	Less Retirements	Balance Dec. 31, 1955
Land	$ 14,110,134	$ 33,020	$ 436,659	$ 13,706,495
Track and Paving	16,802,008	546,174	3,504,029	13,844,153
Machinery and Tools	3,265,110	226,039	74,243	3,416,906
Electric Line Equipment	10,179,716	638,599	442,502	10,375,813
Buildings	22,278,603	1,615,809	682,093	23,212,319
Cars	32,987,640	2,926,324	2,081,367	33,832,597
Buses	52,802,086	2,031,220	184,157	54,649,149
Work Trucks, Autos, and Service Equipment	1,473,296	132,328	40,413	1,565,211
Furniture	1,030,034	111,257	9,718	1,131,573
Signals and Interlocking	548,896	57,429	20,595	585,730
Crossings, Fences, and Signs	584,096	26,493	5,445	605,144
Elevated Structures	6,938,217	16,534	187,206	6,767,545
Substation Equipment	1,775,968	39,355	69,754	1,745,569
Telephone and Communications	411,450	50,673	5,054	457,069
Engineering	46,623	—	—	46,623
General and Miscellaneous	2,466,089	371,988	—	2,838,077
Total Transportation Property	$167,699,966	$8,823,242	$7,743,235	$168,779,973
Organization Expense	85,316	—	—	85,316
TOTAL	$167,785,282	$8,823,242	$7,743,235	$168,865,289

Operating Statistics

For the Year Ended December 31, 1955

	Surface System	Rapid Transit System	Combined System
Passenger and Traffic Statistics:			
Revenue Passengers	510,603,672	112,889,976	623,493,648
Revenue Vehicle Miles—			
Cars	11,519,426	43,667,246	55,186,672
Trolley Buses	18,816,529	—	18,816,529
Motor Buses	89,066,262	—	89,066,262
Total Revenue Miles	119,402,217	43,667,246	163,069,463
Revenue per Vehicle Mile	81.63c	53.65c	74.13c
Revenue Vehicle Hours—			
Cars	1,251,581	—	1,251,581
Trolley Buses	2,332,709	—	2,332,709
Motor Buses	10,351,772	—	10,351,772
Total Revenue Vehicle Hours	13,936,062	—	13,936,062
Power Statistics:			
Direct Current Kilowatt Hours	150,996,241	207,048,559	358,044,800
Average Cost per Kilowatt Hour	—	—	1.66c
Fuel Statistics:			
Gasoline—			
Gallons	9,402,622	—	9,402,622
Average Miles per Gallon	2.83	—	2.83
Diesel Fuel—			
Gallons	5,794,924	—	5,794,924
Average Miles per Gallon	3.94	—	3.94
Propane Fuel—			
Gallons	17,560,537	—	17,560,537
Average Miles per Gallon	2.26	—	2.26